

Registered Charity No: 900518

Creech St Michael Community Pre-School.

Unaudited Report and Financial Statements

for the Year Ended 31st August 2019

Creech St Michael Community Pre-School.

**Unaudited Report and Financial Statements
for the Year Ended 31st August 2019**

CONTENTS	PAGE
General information	1
Annual Report of the Trustees	2 - 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Accounts	8 – 12
Income and Expenditure Account	13

Creech St Michael Community Pre-School.

**Annual Report and Financial Statements
for the Year Ended 31st August 2019**

Registered Charity Number 900518

Registered Address:

Creech St Michael Community Pre-School
Hyde Lane
Creech St Michael
Taunton
Somerset
TA3 5QQ

Trustees:

Mrs L Hammacott	Chair
Mrs H Kennard	Treasurer
Mrs Z Godfrey	Secretary (Resigned 18 th July 2019)
Ms L Coleman	(Resigned 14 th October 2019)
Ms C Ottery	
Ms J Evans-Jones	
Ms V Chedzoy	
Ms J Shattock	
Ms J Adams	(Resigned 18 th October 2018)
Ms P Charlton	(Resigned 23 rd May 2019)
Ms M Baker-Dunn	(Resigned 23 rd May 2019)
Ms A Chapman-Clark	(Resigned 23 rd May 2019)
Ms L Catlow	(Resigned 23 rd May 2019)

Independent Examiner:

Miss A Cleaveley F.C.C.A., A.T.T
Michael J. Dodden & Co.
Chartered Certified Accountants
34 North Street
Bridgwater
Somerset
TA6 3YD

Bankers:

National Westminster Bank plc
135 Bishopsgate
London
EC2M 3UR

Creech St Michael Community Pre-School.

Annual Report of the Trustees For the Year Ended 31st August 2019

Creech St Michael Pre-School is an unincorporated Charity registered with the charity commission in England and Wales, number 900518.

The Charity is governed by its PLA P-S constitution dated 15th July 1999.

The Trustees of the Charity as listed on page 1 are appointed by the Committee at the AGM.

Aims and Objectives

The aims of the association shall be to advance the education of children below compulsory school age by (A) Providing safe and satisfying group play, in which parents have the right to take part (B) Encouraging other charitable activities through which parents may help the children (C) Furthering the aims of the pre-school playgroups association.

The objectives of the Charity are to provide education and development of the pre-school through play and learning, and to prepare them for school. The pre-school accepts childcare vouchers operated by employers in addition to the Nursery Education Funding, both of which allow inclusion for children from low income families.

The Charity operates using standard committee procedures with the financial side being undertaken by an independent officer.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Methods used to Appoint Trustees

The Trustees initially volunteer and are then nominated and seconded by the committee at an AGM/SGM/EGM. An eligibility declaration form is then completed and then the DBS/Ofsted registration process begins.

Reserves Policy

- A minimum of £10,000 should be retained to cover day to day expenditure for a period for 3 months.
- A minimum of £5,000 should be specifically retained for if the building were to become unavailable.
- A minimum of £15,000 should be retained to cover future staff costs.

As at 31 August 2019 the charities unrestricted reserves stood at £90,822 (2018: £71,349) of this £17,146 (2018: £9,047) is held as fixed assets leaving £73,676 (2018: £62,302) of free reserves. This exceeds the targeted minimum level of reserves of £30,000

Creech St Michael Community Pre-School.

Annual Report of the Trustees (continued) For the Year Ended 31st August 2019

It has continued to be a very busy time for us as a pre-school, with a continued high number of children attending and very few sessions left to fill. This is in part due to us lowering our acceptance age to two and half, but I like to think it is also down to our good reputation as an early year setting.

Our team of staff have continued to show their resilience when faced with a room full of children under the age of 4. The chaos that could ensue is calmly directed by our manager Debra and her deputy Claire, who together with our team of pre-school assistants ensure the smooth running of day to day pre-school life. Our apprentice Lauren has completed her first year with us and Zoe, who was volunteering with us, applied and was successful in obtaining a paid position with us. We also said an emotional goodbye to Donna-Marie at the end of the academic year, but her shoes are being ably filled by Emma who joined the team this September.

I am always a little in awe of the dedication shown by our staff who work hard to help each child reach their full potential, with a lot of care and fun thrown in. Debra will talk about the activities enjoyed by the children over the last year and I am now going to turn to talk about how the committee has been involved in the running of the pre-school.

We have been in a fortunate position as a committee that a healthy intake of children has ensured financial stability for the pre-school. However, we have still looked to continue with our regular fundraising events such as the Christmas party raffle, sports day and a refreshment stall at Creech Party in the Park. We also ran a very successful Bingo night, which was a well-attended community event and boosted our funds considerably. It was such a fun night that we will be looking to repeat such an event in the future.

We have continued to invest in the pre-school's surroundings, and I hope you will agree the new flooring and general tidying up of the entrance area is a welcome sight. We are hoping to add some sensory outdoor toys to our outside play area in the not too distant future; we hope this will give some added interest for the children. There have also been some changes internally, with Debra and her team creating a quiet area which we hope will be a calming place for our children with additional needs and the younger ones who sometimes need a quiet space.

As a committee we have taken satisfaction in organising and running special events for our children; the Nativity and Christmas Party and at the end of the academic year the very special graduation ceremony, where our leavers were presented with a keep-sake of their time at the pre-school.

In summary, we have continued to develop the pre-school in being an attractive prospect for families looking for a pre-school placement, whilst making the working lives of the staff as stress-free as possible. As a committee we recognise that none of the achievements of the pre-school would be possible without the professionalism and dedication of the staff, Debra, Claire, Donna, Jo, Mandy, Laura, Lauren, Emma and Zoe.

I want to end by acknowledging the hard work put in by our Committee members and make a special mention of Zoe who was our secretary for a number of years and now joins the pre-school as a member of staff. I also want to formally thank the wider community, our families and friends and hope that we can ask for your continued support to build on our success.

Creech St Michael Community Pre-School.

**Annual Report of the Trustees (continued)
For the Year Ended 31st August 2019**

Statement of trustee's responsibilities.

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:


- Select suitable accounting policies and then apply them consistently.
- Observe the methods of principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper account records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision for the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 2020 and signed on their behalf by:


.....
Mrs L Hammacott – Chair


.....
Date

Creech St Michael Community Pre-School.

**Independent Examiner's Report to the Trustees of Creech St Michael Community Pre-School
For the Year Ended 31st August 2019**

I report on the accounts of Creech St Michael Community Pre-School for the year ended 31 August 2019 which are set out on pages 6 – 14.

Responsibilities and basis of report.

As the charity trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act")

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the Act.

Independent examiners' statement.

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect.

- (1) Accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- (2) The accounts do not accord with those records; or
- (3) The accounts do not comply with the applicable requirements concerning the form and contents of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A Cleaveley

Miss A Cleaveley F.C.C.A., A.T.T
Michael J Dodden & Co
Chartered Certified Accountants
34 North Street
Bridgwater
Somerset
TA6 3YD

Date..... 21/07/2020

Creech St Michael Community Pre-School

Statement of Financial Activities For the year ended 31 August 2019

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Income				
Donations & legacies	1,174	-	1,174	3,412
Charitable activities – Pre-school income	111,179	-	111,179	88,044
Other trading activities	2,071	-	2,071	1,061
Investment income	70	-	70	17
	114,494	-	114,494	92,534
Expenditure				
Charitable Activities – Pre-school				
Running costs	94,564	-	94,564	84,077
Other	457	-	244	244
	95,021	-	95,021	84,321
Net Income/(Expenditure)				
Net movement in funds.	19,473	-	19,473	8,213
Reconciliation of funds:				
Total Funds Brought Forward	71,349	100,756	172,105	163,892
Total Funds Carried Forward	90,822	100,756	191,578	172,105

The notes on pages 8 – 13 form part of these financial statements

Creech St Michael Community Pre-School

Balance Sheet at 31 August 2019

	Note	2019 Total £	2018 Total £
Fixed Assets			
Land and Buildings		109,144	100,756
Plant and Machinery		8,758	9,047
	3	117,902	109,803
Current Assets			
Debtors		766	255
Cash and cash equivalents		76,486	65,589
		77,252	65,844
Current Liabilities			
Creditors		3,576	3,542
Net Current Assets		73,676	62,302
Net Assets		191,578	172,105
The Funds of the Charity			
Restricted Funds		100,756	100,756
Unrestricted Funds		90,822	71,349
Total Charity Funds	4	191,578	172,105

These accounts have been approved by the committee and are signed on their behalf by:

.....*Hannah*..... Trustee*12/07/2020*..... Date

.....*Heunod*..... Trustee*14.7.2020*..... Date

The notes on pages 8 and 13 form part of these financial statements.

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2019

1 Accounting Policies

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)) Update Bulletin 1 issued February 2016, Update Bulletin 2 issued October 2018, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The Charity constitutes a public entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

b) Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measure reliably.

c) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure, it is probably that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual's basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

d) Expenditure on Charitable Activities

Charitable activities comprise all costs directly incurred in undertaking activities to fulfil the Charity's objects. The cost of charitable activities consists of Pre-School running costs, support costs and governance costs. This includes all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination.

e) Taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading to which it was incurred

g) Fund Accounting

Funds are classified according to the manner in which they are allowed to be present. The unrestricted general fund represents the accumulation of the Charity's income and expenditure that has not been earmarked for specific projects and is not considered by the Trustees to be for a restricted purpose. To the extent that the fund is represented by readily realisable assets it provides a means of financing the day-to-day operations.

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2019

g) Fund Accounting (continued)

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

h) Tangible Fixed Assets

Tangible fixed assets include the pre-school hall and fixtures and fittings.

Individual fixed assets costing £1,000 or more are capitalised at cost.

Land and building are considered to have a high residual value that is equal to the book value of the asset because the residual value of the properties is maintained by the ongoing maintenance of the property. Accordingly, no depreciation is charged.

Works which do not result in enhancement of economic benefits of a property are charged to the Income and Expenditure Account.

Plant and machinery are stated at historical cost less depreciation so as to write off the cost of an asset over the useful economic life of that asset as follows:-

Plant and machinery – by equal instalments over 10 years.

The useful economic lives and residual values of all tangible fixed assets are reviewed annually.

i) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

j) Financial Instruments

The charity only has financial assets and liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

k) Critical Accounting Judgements and Estimation Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and adjusted for current market conditions or other factors. The Trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be exactly the same as related actual results. The estimates, assumptions and management judgements that carry a significant risk of material adjustments to the carrying amounts of assets and liabilities within the next financial year are outlined below.

l) Residual values of land and buildings

Land and buildings are not depreciated on the basis that their residual value is at least equal to their carrying value on the basis of the continual maintenance of these properties. The significant assumptions applied in determining the residual values of our buildings are mainly due to (i) whether it will continue to be necessary to maintain the properties to a certain standard (ii) the market value of the properties.

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2019

2 Trustees Remuneration and Expenses

No remuneration, other benefits or expenses have been paid to any of the trustees during the year (2018 - £nil).

3 Tangible Fixed Assets

	Land & Buildings £	Plant & Machinery £	Total £
<u>Cost</u>			
At 1 September 2018	100,756	15,079	115,835
Additions	8,388	1,355	9,713
	<hr/>	<hr/>	<hr/>
At 31 August 2019	109,144	16,434	125,548
	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>			
At 1 September 2018	-	6,032	6,032
Charge for year	-	1,644	1,644
	<hr/>	<hr/>	<hr/>
At 31 August 2019	-	7,676	7,676
	<hr/>	<hr/>	<hr/>
<u>Net Book Value</u>			
At 31 August 2019	109,144	8,758	117,902
	<hr/>	<hr/>	<hr/>
At 31 August 2018	100,756	9,047	109,803
	<hr/>	<hr/>	<hr/>

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2019

4 Statement of Funds

	1 September 2018 £	Income £	Expenditure £	31 August 2019 £
<u>Unrestricted Funds</u>	71,349	114,494	95,021	90,822
<u>Restricted Funds</u>				
New Hall fund	100,756	-	-	100,756
	<hr/>	<hr/>	<hr/>	<hr/>
	172,105	114,494	95,021	191,578
	<hr/>	<hr/>	<hr/>	<hr/>
Represented by			Unrestricted Funds £	Restricted Funds £
Fixed Assets			17,146	100,756
Net Current Assets			73,676	-
			<hr/>	<hr/>
			90,822	100,756
			<hr/>	<hr/>

The unrestricted funds represent free funds of the Charity, which are not designed for a particular purpose.

The pre-school purchased a new hall at a cost of £100,756 in the year ended 31 August 2007 out of funds specifically raised for this purpose.

Prior Year Statement of Funds

	1 September 2017 £	Income £	Expenditure £	31 August 2018 £
<u>Unrestricted Funds</u>	63,136	92,534	84,321	71,349
<u>Restricted Funds</u>				
New Hall fund	100,756	-	-	100,756
	<hr/>	<hr/>	<hr/>	<hr/>
	163,892	92,534	84,321	172,105
	<hr/>	<hr/>	<hr/>	<hr/>
Represented by			Unrestricted Funds £	Restricted Funds £
Fixed Assets			9,047	100,756
Net Current Assets			62,302	-
			<hr/>	<hr/>
			71,349	100,756
			<hr/>	<hr/>

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2019

5 Staff Costs

The average number of staff employed during the period was as follows:

2019	2018
8	8
<u>8</u>	<u>8</u>

The aggregate payroll costs of these persons were as follows:

	2019 £	2018 £
Wages and salaries	72,781	64,388
Pensions	88	60
	<u>72,869</u>	<u>64,448</u>

There were no employees with emoluments above £60,00 in the year.

The Charity considers it keys management personnel to comprise of the nursery Manager. Total remuneration of key management was: £19,438 (2018; £19,459)

**Creech St Michael Community Pre-School
Trading Income and Expenditure Account
For the year ended 31 August 2019**

	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Income				
Donations	1,174	-	1,174	3,412
Charitable Activities				
Fees	21,228	-	21,228	22,785
Early Years grant	89,951	-	89,951	65,259
Miscellaneous	168	-	168	150
Interest	70	-	70	17
Other Trading Activities				
Fundraising events and appeals	1,903	-	1,903	911
Total Income	114,494	-	114,494	92,534
Expenditure				
Charitable Activities				
Wages	72,869	-	72,869	64,448
Playgroup supplies	3,117	-	3,117	2,515
Upkeep	1,423	-	1,423	1,375
Establishment	5,891	-	5,891	5,555
Telephone	862	-	862	715
Refreshments	883	-	883	469
Subscriptions	-	-	-	155
Training	180	-	180	322
Postage, printing & stationery	436	-	436	324
Finance service costs	4,644	-	4,644	4,866
Uniforms	724	-	724	965
Advertising	245	-	245	
Depreciation	1,644	-	1,644	1,508
Other				
Miscellaneous	2,103	-	2,103	1,104
Total Expenditure	95,021	-	95,021	84,321
Net Income	19,473	-	19,473	8,213
Reconciliation of Funds:				
Total Funds Brought Forward	71,349	100,756	172,105	163,892
Total Funds Carried Forward	90,822	100,756	191,578	172,105